



Recent guidance from the Federal Reserve, FDIC and OCC, recommends certain best practices, including:

PLANNING

- Assess the nature of the vendor interaction and potential impact on your customers, employees, and partners
- Explain to the vendor how the organization will select, assess and oversee the vendor

DUE DILIGENCE

- Evaluate the vendor's ownership structure, and its legal and regulatory compliance history and capabilities
- Assess the vendor's financial condition – review financial statements, annual reports and public filings

CONTRACT NEGOTIATION

- Data protection agreements (DPAs) are the best ways to ensure vendors protect your data
- Cover all your data – not just personal data
- Embed a standards-based security questionnaire to learn about the vendor's security program
- Use straightforward language so that business and technical professionals on both sides of the deal can understand their obligations
- **Red flags:** low liability limits for cybersecurity incidents, a lack of transparency, or vague commitments to cybersecurity and data privacy

MONITORING

- Approve, or delegate, the responsibility of managing vendor contracts and reporting their status to management or the board
- Review the results of management's ongoing monitoring of third-party relationships involving critical activities

TERMINATION

- Evaluate the third party's financial condition and changes
- Review the adequacy of the third party's insurance coverage
- Review relevant audits and other reports from the third party

ARMSTRONG TEASDALE'S PRIVACY AND DATA SECURITY TEAM



Jeffrey Schultz

ST. LOUIS | PARTNER

jschultz@atllp.com
314.259.4732



Scott Galt

ST. LOUIS | PARTNER

sgalt@atllp.com
314.259.4709



Romaine Marshall

SALT LAKE CITY | PARTNER

rmarshall@atllp.com
801.401.1604



Andrew Whitehead

DENVER | PARTNER

awhitehead@atllp.com
314.259.4711



Lucas Amodio

ST. LOUIS | SENIOR ASSOCIATE

lamodio@atllp.com
314.259.4722



Dustin Berger

DENVER | SENIOR ASSOCIATE

dberger@atllp.com
720.722.7197



Gabriela Baeza-Stout

ST. LOUIS | ASSOCIATE

gbaezastout@atllp.com
314.386.6871



Katherine Bravo

SALT LAKE CITY | ASSOCIATE

kbravo@atllp.com
801.401.1616



Jared Keetch

SALT LAKE CITY | ASSOCIATE

jkeetch@atllp.com
801.401.1615



Casey Waughn

ST. LOUIS | ASSOCIATE

cwaughn@atllp.com
314.259.4766